

IC 27-1-37.1

Chapter 37.1. Termination of Health Provider Contracts

IC 27-1-37.1-1

"Health maintenance organization" defined

Sec. 1. As used in this chapter, "health maintenance organization" means a person that undertakes to provide or arrange for the delivery of health care services to individuals on a prepaid basis, except for the individual's responsibility for copayments or deductibles. The term includes a limited service health maintenance organization. The term does not include a staff-model health maintenance organization that employs a group of providers and that requires the providers to provide health care services solely to individuals who are entitled to coverage under a contract with the staff-model health maintenance organization or an affiliate of the staff-model health maintenance organization.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-2

"Health provider contract" defined

Sec. 2. As used in this chapter, "health provider contract" means an agreement with a provider relating to terms and conditions of reimbursement for health care services provided to an individual under:

- (1) an employee welfare benefit plan (as defined in 29 U.S.C. 1002 et seq.);
- (2) a policy of accident and sickness insurance (as defined in IC 27-8-5-1);
- (3) a contract with a health maintenance organization;
- (4) a self-insurance program established under IC 5-10-8-7(b);
- or
- (5) a prepaid health care delivery plan entered into under IC 5-10-8-7(c).

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-3

"Person" defined

Sec. 3. (a) As used in this chapter, "person" means an individual, an agency, a political subdivision, a partnership, a corporation, an association, or any other entity that enters into a health provider contract with a provider.

(b) The term does not include a health care provider described in IC 16-18-2-163(a)(1), IC 16-18-2-163(a)(2), IC 16-18-2-163(a)(3), or IC 16-18-2-163(a)(4).

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-4

"Provider" defined

Sec. 4. As used in this chapter, "provider" means:

- (1) a physician licensed under IC 25-22.5;

- (2) a dentist licensed under IC 25-14;
- (3) an advanced practice nurse licensed under IC 25-23;
- (4) a chiropractor licensed under IC 25-10;
- (5) a podiatrist licensed under IC 25-29;
- (6) an optometrist licensed under IC 25-24; or
- (7) a clinical psychologist licensed under IC 25-33.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-5

Notice of amendment of contract

Sec. 5. A person who enters into a health provider contract with a provider shall provide written notice to the provider of any amendment to the health provider contract not less than forty-five (45) days before the proposed effective date of the amendment.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-6

Termination of contract without penalty

Sec. 6. (a) Subject to subsection (b), a provider who receives notice under section 5 of this chapter may terminate the health provider contract without penalty by informing the person with whom the health care provider contracts that the provider chooses not to approve the amendment.

(b) Notice under subsection (a) must be:

- (1) given not later than fifteen (15) days after the provider receives notice under section 5 of this chapter; and
- (2) in writing.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-7

Effective date of termination

Sec. 7. The termination of a contract under section 6 of this chapter is effective:

- (1) ninety (90) days after the person with whom the provider contracts receives written notice from the provider that the provider does not approve the amendment; or
- (2) on a date earlier than the date described in subdivision (1), if agreed to by the person with whom the provider contracts and the provider.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-8

Compliance with proposed amendment not required

Sec. 8. If a person with whom a provider contracts receives notice from a provider under section 6 of this chapter, the person with whom a provider contracts may not require the provider to comply with the proposed amendment.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-9

Notification to patient that provider's contract terminated

Sec. 9. Except in an emergency, a provider who elects to terminate a health provider contract under this section shall, before providing services to a patient who is covered by the contract, notify the patient that the provider's contract has been or will be terminated.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-10

Contrary contract provisions void

Sec. 10. Except as provided in section 7(2) of this chapter, a health provider contract provision that is contrary to this chapter is void.

As added by P.L.196-2001, SEC.1.

IC 27-1-37.1-11

Chapter inapplicable to compliance with state or federal laws

Sec. 11. This chapter does not apply to an amendment to a health provider contract that is required to comply with a state or federal law.

As added by P.L.196-2001, SEC.1.